



BlueSkyPower
Connects Clean Energy

Energy Savings Improvement Plan (ESIP) for



Energy Saving Improvement Program (ESIP)

- P.L. 2009 Ch. 4 – Energy Savings Improvement Program (ESIP)- contains specific processes and requirements;
- Public entities can take advantage of energy savings opportunities within the existing building systems
 - Installing energy conservation measures (such as more efficient building controls, boilers, lighting or HVAC equipment)
- Financed through:
 - Refunding Bonds- issued as energy savings obligations; or
 - Lease/Purchase agreement
- Term is for up to 15 years (20 years for Combined Heat/Power);
- An Energy Savings Improvement Plan can be coordinated by a Consultant or ESCO, who may also serve as the general contractor or project manager;



ESIP

General Issues:

- Must follow public bidding laws;
- The Energy Audit (Step #1) and verification of the Energy Savings Plan must be conducted by independent third parties- these costs can be financed through the bond issue;
- Contractors, ESCOs, Engineers qualifications must be qualified and approved by the State of New Jersey Department of Treasury;



Township & Schools ESIP Energy Conservation Measures

1. HW Boiler and Domestic HW Heater Replacement - 2 HW Boilers and 1 Domestic HW Heater
2. Boiler System Replacement - 4 HW Boilers
3. Boiler System Replacement - 3 HW Heaters, 2 Domestic HW Heaters
4. Rooftop Unit Replacement
5. Premium Efficiency Motors
6. Library AC Unit Upgrade - Controls
7. Cafeteria AC Unit Upgrade - Controls
8. Premium Efficiency Motors
9. Valve Blanket Insulation
10. WCC Unit Replacement

Lighting:

1. Lighting Upgrades – Township Building and All Schools (over 19,000 bulbs)
2. Lighting Controls Installation
3. Emergency Lighting Controls



**Table 1: NJ ESIP Steps –
Duration Range**

Step #	Description	Min # of Days	Max # of Days
1	Local Government Energy Audit paid by BPU	40	60
2	ESP Bid. - Hire ESCO or Engineer to Draft ESP	20	40
3	Draft Energy Savings Plan	45	60
4	Hire 3rd Party Verifier - Deliver & Review ESP	25	35
5	LGU makes decisions, approves - BPU Submit	35	45
6	ESCO or Consultant draft Bid Specifications	30	45
7	Advertises for Contractor and Receives Formal Bids	45	75
8	Complete EPC Contracts & Financing Documents	45	60
9	Construction	150	210
10	System Commissioning and Testing	45	60
	Total	480	630

ESIP

Advantages:

- Can enter into shared services agreement for ESIP with a municipality and school districts
- Maintain ownership of assets
- Enter into a sale/leaseback (capital lease)
 - Ownership reverting to the Township upon lease expiration;
- Refunding Bonds and Bond Anticipation Notes (“BANs”)
 - can be issued by the Township, School District, or another public agency such as an economic development or county improvement authority.
 - Issuance does not affect debt limits nor require voter approval (in the case of a School District);

